

# TRUSTEES OF THE TRUST FUNDS FOR THE TOWN OF WILTON

## **MINUTES July 13, 2014**

Meeting held, duly noticed, with 3 trustees (Elizabeth (Betsy) Castro, Lamar Smith, Daniel Donovan) present at 12:00 p.m. plus one member of the public.

Meeting called to order at 12:10 p.m. Daniel E. Donovan was introduced and welcomed as the third Trustee appointed recently by the Selectmen to replace retiring Trustee John Hutchinson.

Items discussed were:

1. HB 297 passed now allows investment company/advisor fees to be paid from capital reserve funds. At the present time all our capital reserve funds are invested in bonds or money market funds and fees, if any, are included in the price of the bond. Therefore, the Trustees voted to leave the situation as it is for the time being.
2. Effective 7/26/14, SB 216 allows up to two alternate trustees of the trust fund to be elected at Town Meeting and to serve a term of one year. Selectmen may appoint an alternate(s) trustee in the interim.
3. Funds of any short-term committee to manage a Town project and appointed by the Selectmen should be handled by the Trustees. The present Old Home Day Committee is covered by this provision but as there is no town money involved, until such time as town funds are involved, the Old Home Day Committee will continue to handle these funds.
4. As of 2014, requested and approved funds from capital reserve funds need to be distributed by the Selectmen to the Trustees no later than December 15th rather than December 31st.
5. Copies of Forms MS-9 and MS-10 must now be given to the Selectmen each year along with copies which already go to the Department of Revenue and the Attorney General.

6. Trustees are now permitted to invest for growth even if the trust funds indicate only income is to be distributed. This is so that the value of the principal of the fund is not eroded due to inflation. A new ruling should be forthcoming shortly to allow investing for total return.
7. Many investment companies are listed on the Attorney General's, Charitable Trust Division, web site. RBC has indicated a desire to be included and the State will be notified of this by Betsy.
8. Discussed the Prudent Man Rule and Prudent Investor Rule. Wilton's Trust and capital reserve funds are currently invested under the Prudent Man Rule. If a change is made in the future, the Attorney General must be notified.
9. Discussed at the State Trustees' seminar on June 16, 2014, which Betsy attended, that all investments must be collateralized.
10. Any memorial fund established in memory of a community member must be accepted by the Selectmen. If the fund is over \$5,000 there must also be a public hearing.
11. Short discussion was held on the Right-to-Know law as it applies to the Trustees. If two or more trustees meet to discuss the funds, investment in the funds, etc., that meeting must be noticed.

Bookkeeping procedures were discussed. It was also mentioned that notices of meetings must be posted 24 hours in advance, except in an emergency. Minutes should be posted no later than five days following the meeting. Notices must be posted in two public places. Records are kept at the Town Hall with ongoing information and electronic ledger sheets in Betsy's possession with electronic copies of those electronic ledger sheets held at Town Hall in the form of a "jump" drive.

Meeting adjourned at 12:45 p.m.

Elizabeth A. Castro  
J. Lamar Smith  
Daniel E. Donovan